

WASHINGTON, D.C. - U.S. Congressman Allen Boyd (D-North Florida) this week voted in support of The Fraud Enforcement and Recovery Act (S. 386), which overwhelmingly passed the House of Representatives by a vote of 367-59. This bipartisan bill would update the federal statute to give prosecutors and law enforcement agencies the resources and explicit authority they need to pursue and prosecute mortgage and corporate fraud. The legislation also would create an outside, bipartisan commission to study the causes leading up to the economic and financial crisis, bring accountability to the financial system, and make recommendations to develop a regulatory structure to help prevent a similar crisis from happening in the future.

"With the passage of the Fraud Enforcement and Recovery Act, we are continuing to take action on measures aimed at protecting consumers and preventing another economic crisis from occurring," said Congressman Boyd. "I am pleased to support this legislation which protects taxpayer dollars, brings needed reform to outside mortgage lending practices, and directs a bipartisan study so that we can better understand the factors that led us into this economic crisis."

The Fraud Enforcement and Recovery Act would:

- Ensure that private mortgage brokers and companies are held accountable by federal fraud statutes
- Make it illegal to willfully overvalue a property or make false statements on a mortgage application
- Modernize the major fraud statute to protect funds expended under the Trouble Asset Relief Program and the economic stimulus package
  - Amend the federal securities statute to cover fraud schemes involving commodities futures and options
  - Improve the False Claims Act, one of the most potent tools for combating fraud against the U.S. government

The Fraud Enforcement and Recovery Act will now be referred to the Senate for consideration.